



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 19, 2003

H.R. 1086 **Standards Development Organization Advancement Act of 2003**

As ordered reported by the House Committee on the Judiciary on May 7, 2003

H.R. 1086 would provide certain protections from antitrust laws to standards development organizations (SDOs) if they disclose the scope and nature of the organization's activity to the Department of Justice and the Federal Trade Commission. (SDOs are nonprofit organizations that plan, develop, establish, or coordinate voluntary consensus standards for use by industry and government.) Under antitrust laws, the Department of Justice and the Federal Trade Commission are required to publish notices of SDO activities in the Federal Register. CBO estimates, however, that the cost of publishing such routine notifications would not be significant in any year over the 2004-2008 period because of the small number of notices that are likely to be filed.

H.R. 1086 would expand the scope of an existing preemption of state antitrust laws to apply to SDOs. Such a preemption is an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA). However, CBO estimates that this mandate would impose no costs on state, local, or tribal governments and would not, therefore, exceed the threshold in UMRA (\$59 million in 2003, adjusted for inflation). This bill contains no new private-sector mandates as defined in UMRA.

The CBO staff contacts for this estimate are Lanette J. Walker (for federal costs) and Victoria Heid Hall (for the state and local government impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.